Agenda Date: February 22, 2006

Item Number: A3

Docket Number: UT-060222

Company Name: CenturyTel of Washington, Inc., d/b/a CenturyTel

Staff: Tim Zawislak, Regulatory Analyst

## **Recommendation**

Take no action, thereby allowing the tariff filing in Docket UT-060222 to become effective on March 11, 2006, as filed.

## **Discussion**

On February 9, 2006, CenturyTel of Washington, Inc., d/b/a CenturyTel (Century) filed a proposed tariff revision in order to charge an additional Line Extension Surcharge, consistent with the commission's rule\* regarding extension of service. The proposed rate additive of \$0.002441 would be assessed on each intrastate terminating switched access minute of use beginning April 1, 2006, through November 30, 2007.

Attachment 1 shows how the proposed surcharge fits in with Century's other terminating access rates. Attachment 2 is a copy of the relevant portion of the rule [section (4)(c)].

The purpose of this surcharge is to recover the cost of additional line extension projects that occurred over the past year. The total amount proposed to be recovered is net of what the end user customers already contribute. The average cost of these projects, on a per customer basis, was \$18,675. The terminating access charge methodology to recover the difference in cost and customer contribution is allowed by the rule and benefits the concept of rural high-cost universal service in our state.

## Conclusion

Century's rate development and cost support information justify its proposed surcharge. Therefore, the proposed rate additive should be allowed.

Attachments (2)

<sup>\*</sup> WAC 480-120-071, "Extension of Service." Statutory Authority: RCW 80.01.040, 80.04.160, 80.36.080, 80.36.300. WSR 00-24-097 (Order R-474, Docket No. UT-991737), filed 12/5/00, effective 1/15/01.